

Honey, millennials shrunk the office space: panel

Crew-Miami panel discussed how the young generation is driving trends in Miami's office and multifamily markets

By [Francisco Alvarado](#) | November 15, 2018 11:30AM



From left: Panelist Frank Guerra, Moderator Peggy Fucci, Panelists Ricardo Caporal, and Brian Koles (Credit: iStock)

In a Coral Gables office building owned by Altis Cardinal, anchor tenant American Airlines recently slashed its space by nearly half without shedding any employees, according to the real estate development firm's founder Frank Guerra.

"American went from 27,000 square feet to 15,000 square feet with the exact same headcount," Guerra told attendees at a Crew-Miami luncheon on Wednesday. "There's a lot more telecommuting taking place."

The drastic reduction was a result of creating flexible working conditions for millennial employees, Guerra explained. The office and apartment building developer joined Mattoni Group founder and President Ricardo Caporal and Property Markets Group brand and experience director Brian Koles for a panel discussion on how millennials are influencing changes in how commercial spaces are designed, residential projects are marketed and amenity packages are configured in South Florida. OneWorld Properties broker Peggy Fucci moderated the discussion.

Instead of a single cubicle for an employee that comes in five days a week, corporate tenants now want work stations that can be shared by two or more staffers who come into the office on alternating schedules, Guerra said. On the multifamily side of real estate, [millennials](#) want more business amenities than leisure ones, he added.

“We are seeing more office services on the ground floor where it may have been a racquetball court in the past,” Guerra said. “They even want conference rooms because they want to hold meetings where they live.”

Koles touted the emergence of co-living as another millennial-driven real estate trend that PMG believes will produce profitable results. Earlier this year, PMG announced it was launching X Social Communities, a division that matches roommates in fully furnished apartments in buildings owned by PMG. Over the summer, the company [opened X Miami](#) at 230 Northeast 4th Street in downtown Miami.

“Co-living with roommates is not something we invented or is a new trend,” Koles said. “I feel very comfortable telling our investors, ‘it’s a good bet.’”

Millennials also want functionality when it comes to equipping buildings with smart technology, Koles said. For instance, he said, X Miami and other PMG properties have package lockers where deliveries can be dropped off. A resident will get an alert in real time that the package has arrived, along with a code to open the locker. “We only use technology to enable convenience,” he said. “It’s not about making something flash.”

Caporal said [Mattoni Group](#) now builds more bike stations, places food warmers in communal areas for UberEats deliveries and provides pet amenities. “It needs to be convenient and practical,” Caporal said. “Five years ago, we didn’t have these things.”

Developers are also more in tune with what tenants are posting on social media websites to hold property managers accountable for problems, Guerra said. “Part of any marketing engagement we do requires monitoring social media and reporting any issues,” he said. “If someone complains, we take note and hold our people accountable.”

The goal, Guerra said, is to minimize any potential damage from online complaints. “It’s an effective way to address concerns,” he said. “One posting and the whole world knows.”